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8 **UNITED STATES DISTRICT COURT**
9 **WESTERN DISTRICT OF WASHINGTON**
10 **SEATTLE DIVISION**
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13 UNITED STATES SECURITIES AND
14 EXCHANGE COMMISSION,

15 Plaintiff,

16 v.

17 DRAGONCHAIN, INC., DRAGONCHAIN
18 FOUNDATION, THE DRAGON
19 COMPANY, and JOSEPH J. ROETS,

20 Defendants.

Case No. 22-cv-01145-JNW

Hon. Jamal N. Whitehead

**NOTICE OF SETTLEMENT
OFFER AND JOINT MOTION
FOR 60-DAY STAY**

21 Plaintiff United States Securities and Exchange Commission (“SEC”) and Defendants
22 Dragonchain, Inc., Dragonchain Foundation, The Dragon Company, and Joseph J. Roets
23 (collectively, “Defendants”) (together, with the SEC, “Parties”) hereby notify the Court that as a
24 result of a mediation with an outside mediator that occurred on October 7, Defendants have made a
25 settlement offer that SEC staff members plan to recommend to the SEC’s Commissioners. Because
26 only the SEC’s Commissioners, and not SEC staff, can decide whether to settle a case, SEC staff
27 members are required to circulate a written recommendation within the SEC for review and
28 comment, and then submit the recommendation to the SEC’s Commissioners for their consideration

1 and approval. This process will take a number of additional weeks.

2 Accordingly, the Parties respectfully request a stay of this case for approximately 60 days,
3 until December 20, 2024, so that SEC staff can prepare the necessary recommendation to the SEC's
4 Commissioners. If the SEC's Commissioners vote to accept Defendants' settlement offer, counsel
5 will file the appropriate proposed papers that would reflect a settlement of all outstanding issues in
6 this litigation by no later than December 20, 2024.

7 Dated: this 18th day of October, 2024

Respectfully submitted,

8 UNITED STATES SECURITIES AND
9 EXCHANGE COMMISSION

10 /s/ Alyssa A. Qualls

By: One of Its Attorneys

11 Arsen R. Ablaev (conditionally admitted
12 pursuant to LCR 83.1(c) (2))

13 Eric M. Phillips (conditionally admitted
14 pursuant to LCR 83.1(c) (2))

15 Alyssa A. Qualls (conditionally admitted
16 pursuant to LCR 83.1(c) (2))

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19 DRAGONCHAIN, INC., DRAGONCHAIN
20 FOUNDATION, THE DRAGON COMPANY,
21 AND JOHN J. ROETS

22 /s/ David M. Otto

By: One of Its Attorneys

23 David M. Otto

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ORDER

This matter is STAYED until December 20, 2024. The Parties will submit a joint status report on or before December 20, 2024, if the SEC's Commissioners reject the proposed settlement.

IT IS SO ORDERED.

DATED this 29th day of October, 2024.



Jamal N. Whitehead
United States District Judge